



February 2, 1999

HOUSE BILL No. 1517

DIGEST OF HB 1517 (Updated January 28, 1999 4:37 pm - DI 94)

Citations Affected: IC 26-2.

Synopsis: Dishonored check fees. Removes transactions involving payday lenders from a requirement that the holder of a dishonored check be awarded triple damages for a dishonored check with a face amount of \$250 or less and \$250 for a dishonored check with a face amount over \$500.

Effective: July 1, 1999.

Bodiker

January 19, 1999, read first time and referred to Committee on Financial Institutions.
February 1, 1999, amended, reported — Do Pass.

HB 1517—LS 7759/DI 94+



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February 2, 1999

First Regular Session 111th General Assembly (1999)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 1998 General Assembly.

HOUSE BILL No. 1517

A BILL FOR AN ACT to amend the Indiana Code concerning commercial law.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 26-2-7-6 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 1999]: Sec. 6. **(a) This section does not apply**
3 **to a lender licensed under IC 24-4.5 with regard to a check**
4 **transaction that involves a single payment loan with a repayment**
5 **period of thirty (30) days or less.**

6 ~~(a)~~ **(b)** This section does not apply to a person who has allowed a
7 check to be dishonored because of lack of funds if both of the following
8 apply:

9 (1) The person reasonably believed that there were sufficient
10 funds in the account to cover the check.

11 (2) The insufficiency of funds is caused by the dishonoring of a
12 third party check that had been deposited into the person's
13 account.

14 ~~(b)~~ **(c)** If a person liable under this chapter does not pay to the
15 holder the full amount of the check not more than thirty (30) days after
16 the certified mailing of written notice that the check has not been paid,
17 the person is liable for, and the court shall award judgment for, the

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1 following, whichever applies:

2 (1) If the face amount of the check is not greater than two hundred
3 fifty dollars (\$250), three (3) times the face amount of the check.

4 (2) If the face amount of the check is greater than two hundred
5 fifty dollars (\$250), the face amount of the check plus five
6 hundred dollars (\$500).

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COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1517, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 3, delete ":".

Page 1, delete line 4.

Page 1, line 5, delete "(2)".

Page 1, run in lines 3 through 5.

and when so amended that said bill do pass.

(Reference is to HB 1517 as introduced.)

BODIKER, Chair

Committee Vote: yeas 13, nays 1.

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